

MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS  
OF  
NORPHLET CHEMICAL INC.

I, David W. Henry, the secretary of the Board of Directors of Norphlet Chemical Inc, a corporation duly organized and validly existing under the laws of the State of Arkansas ("Corporation"), do hereby certify that a meeting of the Board of Directors of the Corporation was duly called and held at the plant and teleconference on October 16, 2008, in accordance with the Corporation's Articles of Incorporation and the By-Laws and the laws of the State of Arkansas and which said meeting Fred Bates, Jim Crotty, Don Dodson, John Garrison, Robert James, Scott Reed, Jesse Spector, William Spector and Evert Talbot, being nine (9) of eleven (11) members of the Corporation's Board of Directors were in attendance. Board members W.L. Cook and Charles L. Long were not present. Also in attendance were Brian Brooks, Vic Forte and Scott Carter.

David Henry then roll called the Board members individually for those in attendance.

David Henry said that Michael Murphy had previously filed a lawsuit against the company for a refund of the funds paid for one percent of the outstanding company stock last year. Based on the current financial status of the company, he said it was in our best interest not to contest the suit. David said that the result would be a judgment being entered against the company. David then presented Board Resolution #1:

"BE IT RESOLVED by the Board of Directors of Norphlet Chemical Inc. ("CORPORATION"), that considering the expense involved in litigating the lawsuit of Michael W. Murphy II vs. Norphlet Chemical Inc. filed in Union County, Arkansas Circuit Court, was not in the best interest of the Corporation, therefore the Board has determined not to contest the above said lawsuit."

Jim Crotty made a motion to approve Board Resolution #1 as presented. Robert James seconded the motion. David Henry then asked if there was any discussion. There was no discussion. The resolution was adopted by a vote of eight (8) Directors voting in favor of the resolution and one (1) Director, John Garrison voting against the resolution. The Directors were polled individually as to their vote.

Brian Brooks then presented a terminal arrangement proposal from Jones-Hamilton. He said that they have found home for the week hydrochloric acid still on site here at Norphlet. The proposal is that Jones-Hamilton would pay payroll costs for October, contract labor for November and December, health insurance for October, property/umbrella/workman's comp/general liability insurance for September and October which keep the those insurances in effect until February 15, 2009. The health insurance would end October 31, 2008. The total cash outlay would be approximately \$175,000.00. In exchange for this consideration, Jones-Hamilton would own exclusively

the work performed by Hunt Guillot and Flouromer. Jim Crotty made a motion to approve the terminal arrangement and transfer of the ownership of the Hunt Guillot and Flouromer work to Jones-Hamilton. Fred Bates seconded the motion. David Henry asked if there was any discussion. Fred Bates asked if we would have to pay Jones-Hamilton for use of the plant. Brian Brooks said no because the physical plant is not being transferred. William Spector asked if the only the Hunt Guillot and Flouromer studies were involved. Brian said yes, they are the only studies involved. John Garrison asked if the stockholders should vote on this transaction. David Henry said no. John then asked Don Dodson if there was a legal issue. Don Dodson asked how both entities were paid. David Henry said that Jones-Hamilton paid Hunt Guillot directly and Flouromer was paid by Norphlet Chemical with loan funds provided by Jones-Hamilton. Don Dodson then said he did not see a legal issue. Evert Talbot said without this agreement, the plant would be abandoned and there would be an environmental legal issue for the officers and board. Jim Crotty said the State will not step in immediately to help with the environmental issues. David Henry asked if there was any further discussion. The resolution was adopted by a vote of eight (8) Directors voting in favor of the resolution and one (1) Director, John Garrison voting against the resolution. The Directors were polled individually as to their vote.

David Henry presented the Board minutes of the July 17, 2008 Board meeting, which had been sent to each Board member in advance of this meeting. Jim Crotty made a motion to approve the minutes presented with Fred Bates seconding. David Henry then asked if there was any discussion. There was no discussion. The minutes were approved by a vote of all nine (9) Directors voting in favor of the motion and no Director voting against the motion. The Directors were polled individually as to their vote. David Henry then presented the September 30, 2008 preliminary financial statements. He noted the miscellaneous income on the sale of scrap metal was \$34,472.00 year to date and that the year to date expenses were \$2,441,339.00. David Henry asked if there was any additional discussion. There was no discussion. Jim Crotty made a motion to approve the financial statements as presented with Fred Bates seconding. The financials were approved by a vote of all nine (9) Directors voting in favor of the motion and no Director voting against the motion. The Directors were polled individually as to their vote.

David Henry then asked if there was any other business to come before the Board. There was no response.

David Henry then asked for a motion to adjourn the meeting. Jim Crotty made the motion and Fred Bates seconded the motion. It was approved by all nine (9) of the Directors present. The Directors vote was by acclamation. With no other business, the meeting was adjourned.

Respectfully submitted

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David W. Henry  
Secretary of the Board